



Investors and Environmentalists  
for Sustainable Prosperity

April 4, 2008

Anne Stausboll  
Chief Operating Investment Officer  
CalPERS  
P.O. Box 942701  
Sacramento, CA 94229-2701

Dear Anne:

I have reviewed the April 21, 2008 draft of the CalPERS Statement of Investment Policy for Infrastructure Program.

You have captured our essential concern that infrastructure investments will, by their nature, have impacts on the environment. We appreciate your willingness to incorporate this "big picture" view into the policy as well as squarely address climate and environmental risk as one of your risk parameters.

This CalPERS policy is one of the first investment policies for this type of asset. Ceres will point other funds in the Investor Network for Climate Risk to this policy as good model as it appropriately considers both the traditional risks and opportunities and the ever more significant climate risks and opportunities as part of the investment decision process.

Thank you for all of your work on this. It has been an easy drafting process. We look forward to its passage at the Board and the potential for us all to learn from your investment experience as the program unfolds.

Sincerely,

A handwritten signature in black ink that reads "Mindy A. Lubber". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Mindy S. Lubber

President